

County of Los Angeles CHIEF EXECUTIVE OFFICE

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July 17, 2007

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

LAC+USC MEDICAL CENTER REPLACEMENT PROJECT
AWARD OF SUPPLEMENTAL AGREEMENT 36
HELLMUTH, OBATA, KASSABAUM, INC.; CONTRACT PW-11875
SPECS. 6550; C.P. 70787
(FIRST DISTRICT) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

Award and authorize the Director of Public Works to execute Supplemental Agreement 36 to Agreement PW-11875 with Hellmuth, Obata, Kassabaum, Inc. (HOK), for additional architectural and engineering services for a \$560,000 not-to-exceed amount.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approving the recommended action will provide sufficient funding for HOK to continue providing architectural, engineering, design, medical equipment planning, and construction administration services for the LAC+USC Medical Center Replacement project for the remaining construction duration.

On October 1, 1998, Agreement PW-11875 in the amount of \$45,025,000 was executed with HOK to provide the architectural and engineering services for the project.

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On May 30, 2006, your Board approved the issuance of Supplemental Agreement 18, which extended the duration of construction administration services to July 31, 2007. Since that time, the scheduled construction completion date has shifted to December 1, 2007. This is due to numerous construction issues, including, in part, construction change orders and general contractor inefficiency. It is essential that HOK's Contract be extended to allow for continued construction administration services during the remainder of construction. However, HOK has agreed to provide these services for a reduced monthly fee of \$140,000, which is \$386,000 below their actual cost. During the remaining months of the Contract, HOK will continue to provide answers to Requests for Information, prepare bulletin drawings and Office of State Health and Planning Development (OSHPD) change orders, review submittals and warranties, complete field validation of various elements of construction, and other related activities required by OSHPD and their Contract. This supplemental would extend HOK through December 1, 2007.

To date, 35 Supplemental Agreements for additional unforeseen and out-of-scope services have been issued for a total value of \$5,852,545. We are now recommending approval to issue Supplemental Agreement 36 for a \$560,000 not-to-exceed fee.

FISCAL IMPACT/FINANCING

There is sufficient appropriation in the existing project budget (C.P. 70787) for the award of the Supplemental Agreement. The recommended Supplemental Agreement will bring the total Contract value with HOK to \$51,437,545, an increase of 14.2 percent. The recommended supplement will be funded from the consultant and vendor services category included in the current project budget.

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CONCLUSION

We have reviewed and reached majority approval from the Project Advisory Committee that the recommended action be adopted.

Please return an adopted copy of this letter to the Chief Executive Office (Capital Projects Division) and Public Works (Project Management Division I).

Respectfully submitted,

DAVID E. JANSSEN

Chief Executive Office

DEJ:LS JSE:zu

c: County Counsel

Department of Public Works

Department of Health Services (Fred Leaf)

Project Advisory Committee (A. Redmond Doms, Jerry Epstein, Nick Patsaouras)